Senate Bill 583-4 (As Introduced)

Contact: Office of Policy and Legislative Affairs

Agency: Labor & Economic Growth

Topic:Alternative energy zonesSponsor:Senators Allen and OlshoveCo-Sponsors:Senators Goschka, Barcia, and

Birkholz

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Committee: Technology and Energy

Date Introduced: June 15, 2005

Date of Summary: July 18, 2005

Senate Bill 584amends section 8a of the "Michigan renaissance zone act" by expanding the scope of an "alternative energy zone" to include the testing of alternative energy technology as well as the research, development, and manufacturing. The bill also expands the scope of alternative energy zones to include the research, development, testing, and manufacturing of alternative energy systems and alternative energy vehicles.

<u>Senate Bill 583</u> amends section 2 of the "Michigan next energy authority act" by adding and revising several definitions relating to alternative energy.

The bill adds Biomass Energy System, Thermoelectric Energy System, and Anaerobic Digester System to the list of items that are considered "alternative energy systems" under the act.

Biomass Energy System is defined in the bill as a system that creates energy from a process using residues from wood and paper products industries, food production and processing, trees and grasses grown specifically to be used as energy crops, and gaseous fuels produced from solid biomass, animal wastes, municipal wastes, or landfills.

Thermoelectric Energy System is defined in the bill as a system that creates energy by converting thermal energy created as direct heat from a clean fuel energy system or waste heat from any source.

Anaerobic Digester System is defined in the bill as a device or system of devices for optimizing the anaerobic digestion of biomass for the purpose of recovering biofuel for energy production.

The bill alters the definition of "alternative energy technology" as equipment, component parts, materials, electronic devices, testing equipment, and related systems that are integrally related

to the following:

- The storage, generation, reformation, or distribution of clean fuels integrated within an alternative energy system for use within the alternative energy system.
- The process of generating and putting into a useable form the energy generated by an alternative energy system.
- A microgrid as defined in the bill.
- Research, development, and manufacturing of an alternative energy system and vehicle.

The bill adds "hydraulic hybrid vehicle" to the list of vehicles that are considered "alternative energy vehicles." The bill defines "hydraulic hybrid vehicle" as a motor vehicle powered by a regenerative hydraulic drive system or powered by an internal combustion engine assisted by a regenerative hydraulic drive system. The bill defines a "regenerative hydraulic drive system" as a system that captures energy from non-parasitic vehicle sources or energy wasted by a vehicle's brakes or suspension to be released to directly assist vehicle propulsion or directly propel the vehicle.

The bill adds "renewable fuels" to the list of items that are considered "clean fuel" under the act. "Renewable fuels" are defined in this bill as 1 or more of the following:

- Biodiesel, as defined in this bill, or biodiesel blends containing at least 20% biodiesel.
- Biomass as defined in this bill.

Lastly, the bill adds a definition of "amtec energy system." The bill defines an "amtec energy system" as a system that creates energy by directly processing waste heat or direct heat generated by a clean fuel energy system through a thermally regenerative electrochemical.

The two bills are tie-barred.